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CENTRAL INTELLIGENCE AGENCY

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COUNTRY	Yugoslavia	REPORT	
SUBJECT	Internal Strengths and Weaknesses of the Tito Government	DATE DISTR.	8 July 1955
		NO. OF PAGES	4
DATE OF INFO.		REQUIREMENT NO.	RD
PLACE ACQUIRED		REFERENCES	
DATE ACQUIRED			This is UNEVALUATED

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1. The main strengths of the Tito regime are the unquestionable achievements in the field of social security (pensions for workers, free medical and hospital treatment, recreation possibilities for people who in the pre-war regime could not afford such things as vacationing on the Adriatic, theaters, other social entertainments and activities, a greater number of schools and public recreational buildings, better employment possibilities, etc.). In all these respects the conditions are now far superior to pre-war times, and the people give credit to the regime for this.
2. The main weaknesses of the Tito regime lie in the forcible application of Communist principles which change from place to place and from time to time disregarding material and spiritual motives. Favoritism of manual workers over the intelligentsia has removed capable men from their positions, or has prevented them from distinguishing themselves and from using their initiative. The forcible creation of peasant cooperatives has antagonized all real farmers and placed agriculture at the mercy of lazy, incapable, incompetent local Party agitators, or an imported agricultural proletariat which does not understand the soil, and which has no love and willingness for the hard peasant life. The real farmers have been removed or disinherited, and with them the actual agricultural experts have disappeared. Then came the drought and the regime had to change the methods and relieve the unbearable pressure. The old and traditional peasant class no longer exists, the regime-enforced changes in the peasant stratum have caused the peasant population to try in subtle and illegal ways to improve their status and well-being, and to look upon the state as an enemy to be deceived. By necessity, once the farmers were allowed to enter the free market, the agricultural surplus had to be sold to non-peasant classes at the highest profit possible. By-passing the laws and regulations, the demoralized peasants succeeded in establishing high prices for their products, cheating whenever possible,

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thus exploiting the already suffering classes of factory proletariat, intelligentsia, and city dwellers in general.

3. The intellectual classes, once the standard bearers of the Communist regime, are neglected, underpaid, and abused in favor of the manual workers. They have therefore lost all interest in new ideas and innovations. Thus the former visible progress caused by the enthusiasm of the intelligentsia, who worked for the national economy with the best intentions, has been stopped or slowed down.
4. The sorest point and one of the greatest weaknesses is represented by the miserable results of State-organized internal commerce. It has resulted in incompetent planning, inequity in taxation of independent artisans and small business, favoritism, corruption, competition between state-owned enterprises, a salary system at the mercy of Party functionaries, badly organized market supplies, black market, panic, artificially created by dishonest handling and advertising of merchandise, which makes various items appear in huge quantities and then suddenly disappear totally without reasons. This disorder has been created by politically-influenced, impractical solutions of existing problems, by application of unsound regulations, and then tardy lifting of pressure which encouraged unscrupulous, clever people to evade the law.
5. A basic weakness which sooner or later must reach the breaking point, is the continuous pressure (legal and illegal, public and secret) upon the population. The ever-present Party organs create fear in the innocent, distrust, secretiveness, mutual suspicion and accusations, crowded courts, and tribunals, thus creating a state of psychological distress with no remedy in view. People are losing interest in everything except the most essential physical necessities. If a catastrophe occurs, people will have no spiritual or physical strength to resist, and no energy to decide which course to take. It is to be feared that the people would fatalistically take whatever might come.
6. The regime is strongest in Macedonia and Bosnia where some improvements have really been brought about. The Macedonians have been taken from under Serbian command and given Republic status. Their Macedonian dialect has been developed into a separate language to be used in Macedonia. Schools, hospitals have been improved, the general poverty somewhat alleviated, and employment possibilities are better. Several new industries have been developed in Bosnia giving opportunity to numbers of miserable people to earn their living. The previously very low living standard has been largely improved. The nationality problem there is not an issue. In the Kosovo, the regime has been playing up to Albanian nationalism for propaganda purposes in Albania. The Kosmet Albanians have an autonomous status and the living standard has been improved.
7. The traditionally poor Montenegrins have found many outlets for their unemployed manpower under Tito. The Montenegrins now occupy many high positions in the administration and in the army. Thousands of them, former Partisans, have been resettled in the rich areas of the Vojvodina where they have a better living, but the area has suffered because of Montenegrin dislike for agricultural work.

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8. The Vojvodina is a sore point of the regime. This once very rich area with strong Hungarian and German minorities (the latter dispersed) is now in a bad shape and production is far below the pre-war level. The population which once had the highest standard of living in Yugoslavia is naturally dissatisfied with a regime which could bring about such a turn for the worse.
9. Slovenia and Croatia have only a luke-warm attitude towards the regime. Improvements and disadvantages there seem about equalized. There is no enthusiasm and not too bitter feelings, and a somewhat neutral attitude exists, with the religious problem on the negative side.
10. The strongest opposition against the regime is in Serbia proper. Out of the Serbian body have been carved Macedonia, the Kosmet, and the Vojvodina, which has hurt Serbian national pride. There were no big landowners in pre-war Serbia, and the individualistic Serbian peasant has never supported any pressing regimentation. The living standard in Serbia is now lower than ever, because not enough new industries have been created to provide sufficient employment for the recently dispossessed peasants. As peasants they make less than before and as industrial workers they have poor possibilities, because of their lack of specialized skills.
11. The peasants have been most seriously affected by the Communist system. Their collective resistance forced the Government to retreat, but this the peasants consider their own victory with no merit on the part of the regime. During the worst oppression, they developed ways and means of avoiding controls, and now, with the controls partly lifted, they are trying to free themselves even more. Among the peasants there is absolutely no sympathy for the regime.
12. The manual laborers have always been considered the base of the regime. Many thousands of formerly unemployed agricultural workers have found jobs in the state-owned economy, and have therefore established a reasonable standard of living. Favored in general by the regime, they have increased their standing in the population. Then the catastrophic rise in prices occurred, and the laborers suddenly realized that they were becoming poor again, with little chance of bettering themselves. The promises of the regime have not materialized. The expedient of labor management by "workers councils" has raised only the theoretical prestige of manual labor, because now they can criticize and take part in the decisions. But the Government has washed its hands of responsibility for low salaries and is putting the blame on the laborers who "run" the factories and enterprises. The salaries of the unskilled labor masses are so low that they cannot make ends meet. Therefore the lower-level labor masses are no longer the base of the regime. The regime must now count mostly on the better-paid skilled labor.
13. As previously stated, the intelligentsia has been rudely pushed aside in favor of the manual workers. Yugoslavia since the war has not produced any great artists or famous authors. The medical and legal professions have suffered heavily at the hands of the regime. The clergy has been put aside entirely.
14. Among the students there is no more enthusiasm for the regime and there is no more voluntary work. It has to be paid or forced. The students at the universities, always the core of socialism, and

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revolutionary movements, are now largely against the regime, and, if given free choice in ideological formation and political organization, the Communist clubs and circles would be rare indeed. The revolutionary spirit of the youth has already turned against the regime.

15. The UDB and police are still powerful. No actions against the regime could be successful. However, the criticism of the regime is already very public, sarcasm is exercised generally, and jokes are made at the expense of public officials. Practically only Tito himself and a few of the top leaders are still exempt from public abuse. People know pretty well now who works for the police, who is pro-regime. In the absence of persons of this type, the people give vent to their feelings freely, while a few years ago such things would be unthinkable.

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